THE HON'BLE SRI JUSTICE GODA RAGHURAM

W.P.No. 18233 of 2006

01-09-2006

Between:-

B. Nageswara Rao and another.

Petitioners

And

Government of Andhra Pradesh, rep., by its Secretary, Endowments Department, Secretariat, Hyderabad and three others.

Respondents

THE HON'BLE SRI JUSTICE GODA RAGHURAM

W.P.No. 18233 of 2006

Oral order:

The petitioners were the highest bidders for leasehold rights of the lands of the 4th respondent-Temple at an auction held on 09-06-2006 for extents of Ac.05-51 cents; Ac.03-50 cents; Ac.03-38 cents and Ac.0-43 cents in survey Nos. 388/2, 388/3, 459/4 and 476/6D for a lease period 2006-07 to 2008-09. The Inspector of Endowments Department, Machilipatnam, the authority who had supervised the auction had recommended to the 3rd respondent by a letter dated 12-06-2006 that the auction was responsive and that there was adequate competition at the auction, bids were knocked in favour of the petitioners as they were the highest bidders and that the leases in favour of the petitioners be approved.

Responding to the above communication, the 3rd respondent, the competent authority by the impugned order dated 31-07-2006 declined approval of the bids on a recorded assessment that the bids were very low and directed the Manager of the 3rd respondent-Temple to conduct a re-auction for the lands in the presence of the Inspector, Endowments Department, Machilipatnam and report compliance.

The leaned counsel for the petitioners states that as there was competition and responsive bids at the public auction held on 09-06-2006 at which they were the highest bidders, the action of the 3rd respondent in declining approval is arbitrary and needs to be interdicted in judicial review.

In the considered view of this court, no such relief could be granted. As is apparent from the recommendation of the Inspector of Endowments, Machilipatnam, the previous rent in respect of the lands for which the 1st petitioner became the highest bidder was Rs. 2,500-00 and the bid of the 1st petitioner now which was highest was Rs. 3,200-00; in respect of the 2nd petitioner, the previous year's rent for the lands was

Rs.10,000-00 and his bid which was the highest at the current auction was Rs. 10,500-00. On these marginal variations of the quantum of rents, the 3rd respondent cannot be said to have acted arbitrarily or irrationally in recording a satisfaction that the bids were very low.

There is a spectrum of discretion conferred on the 3rd respondent while considering accord of approval to leases of lands pursuant to public auction conducted by the Managers/Executive Officers of Devasthanams to consider the interest of the temple or the endowment. Within the spectrum of this discretion, the 3rd respondent, on an administrative assessment, was satisfied that the bids in the current auction were very low. There is no perversity in the exercise of discretion warranting judicial review.

The another grievance of the petitioners urged in the writ petition is that despite a fresh auction scheduled on 21-08-2006, the auction was not conducted and the deposits made by the petitioners pursuant to the earlier auction process as well as the documents submitted by them continue to be with the Endowments Department.

In the aforesaid circumstances and having regard to

the facts and circumstances of the case, the respondents, in particular the 3rd respondent is directed to conduct re-auction for grant of leasehold rights of the lands of the 4th respondent-Temple, expeditiously and in any event within a period of two weeks from the date of receipt of a copy of this order. The 3rd respondent shall personally supervise the scheduled public auction and shall record minutes of the auction process and may consider grant of approval of leases, if the bids are competitive and the grant of leases is in the interests of the 4th respondent. The writ petition is disposed of as above. There shall be no order as to costs.

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GODA RAGHURAM, J

Dated:01-09-2006
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